

Lincoln County

DEED OF TRUST

THIS DEED OF TRUST, made this 4th day of July, 1985, by and between R. DIRK AGEE and MARTA SANFORD AGEE, husband and wife, as Grantors, and FRONTIER TITLE COMPANY, as Trustee, and JAY WRIGHT, also known as WILLIAM JAY WRIGHT, and MARJORIE WRIGHT, husband and wife, as Beneficiaries;

W I T N E S S E T H:

That Grantors hereby grant, transfer, and assign to the Trustee in trust, with power of sale, all of the following described real property situate in the Counties of Lincoln and Nye, State of Nevada, more particularly described as follow, to-wit:

REAL PROPERTY

TOWNSHIP 1 NORTH, RANGE 55 EAST, M.D.B &M.

Section 5: Lot 2

TOWNSHIP 2 SOUTH, RANGE 55 EAST, M.D.B &M.

Section 26: SE $\frac{1}{4}$ SE $\frac{1}{4}$

TOGETHER WITH all buildings and improvements thereon.

TOGETHER WITH all and singular the tenements, hereditaments, easements, and appurtenances thereunto belonging or in anywise appertaining, and the reversions, remainder, rents, issues and profits thereof, or of any part thereof.

TOGETHER WITH all springs, wells, water and water rights adjudicated, appropriated, decreed, vested and appurtenant to or used in connection with the foregoing described parcel of land and the Sand Springs allotment, and which rights are the base property for the grazing preference upon the public lands within said allotment, including all permits, applications, proofs and map therefor, and all dams, ditches, diversions, canals, pipelines, well casing, troughs and all other means, methods, systems of using the water and water rights and applying them to beneficial use on the parcel of land and including, but not limited to, all stockwater streams, wells, ponds and reservoirs including, but not limited to, the following described waters:

| <u>APPLICATION NUMBER</u> | <u>CERTIFICATE NUMBER</u> | <u>NAME</u> |
|---------------------------|---------------------------|---------------------|
| 01524 | -0- | Sand Spring |
| 1433 | 105 | Quinn Canyon Spring |
| 10974 | 2877 | Wildhorse Spring |
| 11332 | 2949 | Well Number 6 |
| 11334 | 2950 | Black Rock Well |
| 11335 | 2951 | Buttes Well |
| 11694 | 3441 | Tempaiute Well |

GOICOECHEA & DIGRAZIA, LTD.
ATTORNEYS AT LAW
BLOCHM BUILDING, SUITE 200
FIFTH & IDAHO STREETS - P. O. BOX 1388
ELKO, NEVADA 89801
(702) 738-8081

15 145 23

ink

Lincoln County

| <u>APPLICATION NUMBER</u> | <u>CERTIFICATE NUMBER</u> | <u>NAME</u> |
|---------------------------|---------------------------|----------------------------------|
| 12542 | 3217 | Honest John Well |
| 23216 | 6890 | Hot Water Well |
| 23217 | 6891 | Southeastern Well |
| 23218 | 6922 | Southwestern Well |
| 23219 | 6892 | Highway Well |
| 23221 | 6893 | Tanks Troughs |
| 23222 | 6894 | Mud Springs |
| 23223 | 6895 | Unnamed Spring |
| 23224 | 6896 | Smith Well |
| 23225 | 6897 | Reservoir |
| 23226 | 6898 | Reservoir |
| 23227 | 6899 | Reservoir |
| 23228 | 6901 | Reservoir |
| 23229 | 6902 | Reservoir |
| 23230 | 6903 | Reservoir |
| 23232 | 6904 | Buttes Well |
| 23233 | 6900 | Stink Bug Spring |
| 24420 | 8037 | Wildhorse Spring and Pipeline |

TOGETHER WITH all right, title and interest of Grantors in and to those waters known as:

Tempaiute Surplus Mill Water
South End Reservoir Dry Channel
Pink Hills Reservoir
Well Number 27
Well Number 28
Well Number 5

Quinn Canyon Creek, located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 35, T. 1 S., R. 55 E., MDM, Certificate Number 11055.
Shadow Well, being a vested water right established prior to 1905 located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 31, T. 1 S., R. 56 E., MDM.

TOGETHER WITH all of Grantors, rights, privileges, preferences, term permits and leases to graze livestock in the Sand Springs Valley of Lincoln and Nye Counties of Nevada, on the public lands administered by the Bureau of Land Management in Las Vegas District, based, apportioned and attached to the above-described lands or water rights or both, together with all suspended use, all temporary non-renewable use and together with all range improvements and the cooperative agreements and permits thereof.

TOGETHER WITH all fixtures and personal property of the Grantors located in, near or used in connection with the use of the grazing rights heretofore described in the Sand Springs Allotment, including all pumps, generators, pipelines, water tanks, troughs, canals, fences and loading chutes.

TO HAVE AND TO HOLD the same unto the said Trustee and its successors, in trust, to secure the performance of the following obligations and payments of the following debts:

GOICOECHEA & DIGRAZIA, LTD.
ATTORNEYS AT LAW
SLOAN BUILDING, SUITE 200
FIFTH & IDAHO STREETS - P. O. BOX 1288
ELKO, NEVADA 89801
(702) 738-8001

-2-

ONE: Payment of an indebtedness evidenced by a certain Promissory Note dated July 5, 1985, in the principal amount of FOUR HUNDRED EIGHTY THOUSAND DOLLARS (\$480,000.00), with interest thereon, expenses, attorney fees and other payments therein provided, executed and delivered by the Grantors payable to the Beneficiaries or order, and any and all extensions or renewals thereof, which Note is made a part hereof.

TWO: Payment of all other sums with interest thereon becoming due and payable under the provisions hereof to either Trustee or Beneficiaries.

THREE: Payment, performance, and discharge of each and every obligation, covenant, promise and agreement of Grantors herein or in said Note contained and of all renewals, extensions, revisions and amendments of the above-described Note and any other indebtedness or obligation secured hereby.

To protect the security of this Deed of Trust, it is agreed as follows:

1. The following covenants, Nos. 1, 2 (\$ 111), 3, 4 (10%), 5, 6 (which covenant is deemed to include and apply to all conditions, covenants and agreements contained herein in addition to those adopted by reference, and to any and all defaults or deficiency in performance of this Deed of Trust), 7 (reasonable), 8 and 9 of N.R.S. 107.030, are hereby adopted and made a part of this Deed of Trust.

2. The Promissory Note secured by this Deed of Trust is incorporated herein by reference as if the same had been fully set forth herein.

3. All payments secured hereby shall be paid in lawful money of the United States of America.

4. The Beneficiaries and any persons authorized by the Beneficiaries shall have the right to enter upon and inspect the premises at all reasonable times to determine whether Grantors have complied with the terms of this agreement and to take all reasonable action which they are authorized to perform under this Deed of Trust.

5. In case of condemnation of the property subject hereto, or any part thereof, by paramount authority, all of any condemnation award to which the Grantors shall be entitled less costs and expenses of litigation is hereby assigned by the Grantors to the Beneficiaries, who are hereby authorized to receive and receipt for the same and apply such proceeds as received toward the payment of the indebtedness hereby secured, whether due or not.

6. Any notices to be given Grantors shall be given by registered or certified mail to Grantors at the address set forth near the signatures in this Deed of Trust, or at such substitute address as Grantors may designate in writing duly delivered to Beneficiaries or Trustee, and such address as is designated in writing duly served as aforesaid, shall be deemed conclusively to be the correct address of Grantors, for all purposes in connection with said Deed of Trust including, but not limited to, giving of notices permitting or requiring by statute to be mailed to Grantors.

7. All the provisions of this instrument shall inure to the benefit of and bind the heirs, legal representatives,

Lincoln County

successors, and assigns of each party hereto, respectively, as the context permits. All obligations of each Grantor hereunder shall be joint and several. The word "Grantor" and any reference thereof shall include the masculine, feminine and neuter genders, and the singular and plural, as indicated by the context and number of parties hereto.

8. It is expressly agreed that the trusts created hereby are irrevocable by the Grantors.

9. Said Grantors shall:

A. Maintain, care for and keep the property herein described and all buildings, fences, corrals, stock watering facilities, dams, ditches, diversions, wells, pumping equipment, and all other structures, improvements and fixtures now thereon or hereafter placed thereon in at least the condition, order and repair existing on the date of this Deed of Trust, subject to reasonable normal wear and description, replacement, substitution or improvement as herein provided;

B. Not remove or demolish all or any portion of any buildings, fences, corrals, watering troughs, windmills, other fixtures or improvements now situate thereon or hereafter placed thereon unless the same is replaced, improved, or substituted therefor by a like item of at least equal value, quality and use;

C. Not mine or commit or permit any waste of the land, buildings, improvements and fixtures, on said premises;

D. Maintain and graze the premises for which water rights exist in at least the same ranching and husbandmanlike manner as is the common ranch practice in the area of the ranch;

E. Properly maintain, put to beneficial use and utilize all wells and water rights appurtenant, appropriated, or decreed to, or used in connection with any portion of the premises so as not to allow any water rights to be jeopardized, diminished, reduced, damaged, or lost;

F. Graze and manage the grazing areas of the lands subject to this Deed of Trust in the manner recognized as good range management in the grazing unit or area in which the lands subject thereto are located;

G. The Grantor shall not do nor permit to be done, by act or omission, anything which shall impair, lessen, diminish, devalue or deplete the security hereby given.

H. Operate the ranch according to the dictates of good ranch, soil, plant, water and range management common in the area of the ranch.

10. Subject to Paragraph 11, below, any sale, lease or transfer of the real property, water rights or grazing rights

Lincoln County

described herein prior to the payment of the Beneficiaries of the full deferred balance, including interest, shall be subject to the written approval of the Beneficiaries, provided that such approval shall not be unreasonably withheld, and provided further that the criteria for determining whether or not an approval would be reasonable or unreasonable shall be the ability of the prospective lessee or transferee to provide proper management of the livestock operation, to the end that there will be full compliance with the provisions of the Deed of Trust and Security Agreement relating to use, maintenance and upkeep to the lands, improvements, water rights and grazing rights. In the event of any such transfer, approved by the Beneficiaries herein, such sale, transfer or lease shall not relieve the Grantors herein from their obligation to the Beneficiaries to payment of the remaining portion of the deferred balance, and interest, according to the terms of the Promissory Note evidencing the same and, in the event of such approval and sale, the Beneficiaries herein shall execute any proper and necessary documents evidencing their approval and permitting the transfer of the land, improvements, water rights and grazing rights to the perspective buyer. The approval of the Beneficiaries herein shall not be required as to any additional security placed on the property subject of the sale to a lender, provided that the security of the Beneficiaries herein remains, at all times, in first priority, save and except as to taxes that are a lien, but not due and payable. Should Beneficiaries sell, lease or transfer the properties, or any portion thereof, without the approval required herein, the entire deferred balance of the Promissory Note secured herein, at the option of the holder thereof, without demand or notice, shall be immediately due and payable.

11. Until such time as the total of the deferred balance and interest have been paid to the Beneficiaries, the Grantors will not transfer the grazing rights to any base property other than the base property existing at the time of this sale, save and except:

A. Said grazing rights may be transferred to any base property owned by the Grantors and located within the Sand Springs Allotment in the Sand Springs Valley of Lincoln and Nye Counties, Nevada; and

B. In the event that, for reasons beyond the control of the Grantors, or by reason of governmental rules, regulations, or law, the base property existing at the time of this sale is no longer adequate as base property to holding the grazing rights, then the Grantors may transfer the grazing rights, to the extent necessary to preserve the same, to other base property within the State of Nevada. In this regard, it shall not be considered beyond the control of the Grantors if it is necessary for them to drill additional wells or produce additional water within or to serve the allotment to sustain adequate base to hold the said grazing rights, provided that the Grantors are permitted to do so by all involved regulatory governmental agencies and applicable laws, rules and regulations.

12. The Grantors hereby covenant and agree that neither the acceptance nor existence, now or hereafter, of other security for the indebtedness secured hereby, or the full or partial release or discharge hereof, shall operate as a waiver of the security of this Deed of Trust, nor shall this Deed of Trust nor its

Lincoln County

satisfaction nor reconveyance made hereunder operate as a waiver of any such other security now held or hereafter acquired.

13. The rights and remedies herein granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder, or permitted by law, shall be concurrent and cumulative.

14. If any provision hereof should be held unenforceable or void, then such provision shall be deemed separate from the remaining provisions and shall in no way affect the validity of this Deed of Trust.


IN WITNESS WHEREOF, the Grantors have executed these presents the day and year first hereinabove written.

R. Dirk Agee
R. DIRK AGEE

Marta Sanford Agee
MARTA SANFORD AGEE
Twin Meadows Ranch
Wells, Nevada 89835

STATE OF NEVADA)
) ss.
COUNTY OF ELKO)

On this 1st day of July, 1985, personally appeared before me, a Notary Public, R. DIRK AGEE and MARTA SANFORD AGEE, who acknowledged to me that they executed the foregoing instrument.

 **SHIRLEY MENSINK**
Notary Public - State of Nevada
Elko County, Nevada
My appointment expires Nov. 12, 1986

Shirley Mensink
NOTARY PUBLIC

No. 82860
FILED AND RECORDED AT REQUEST OF
Dominick Belingeri
July 8, 1985
AT 1 MINUTES PAST 9 O'CLOCK
A M IN BOOK 66 OF OFFICIAL
RECORDS, PAGE 52 LINCOLN
COUNTY, NEVADA.
YURIKO SETZER
COUNTY RECORDER

By [Signature] Deputy

GOICOECHEA & DIGRAZIA, LTD.
ATTORNEYS AT LAW
BLOHM BUILDING, SUITE 200
FIFTH & IDAHO STREETS - P. O. BOX 1388
ELKO, NEVADA 89801
(702) 738-8081